Toshiba Tec Corporation

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Digital Garage and Toshiba Tec Start Proof of Concept on Hybrid of Smartphone-based Next-generation Payments and Sales Promotion
~Utilizing Retail Store Payment Data to Develop Solutions Directly Contribute to Sales~

Digital Garage, Inc. (TSE first section: 4819; HQ: Tokyo; Representative Director, President Executive Officer and Group CEO: Kaoru Hayashi; DG) and Toshiba Tec Corporation (TSE first section: 6588; HQ: Tokyo; President and CEO: Hironobu Nishikori; Toshiba Tec) conduct a proof of concept (PoC) on hybrid of smartphone-based next-generation payments and sales promotion at the store of TORISEN CO.,LTD (HQ: Gunma Prefecture; President: Hiroyuki Maehara; TORISEN), which operates supermarkets mainly in Gunma Prefecture, from the end of March 2022.

In recent years, lifestyles have been significantly transformed due to digitalization, along with the impacts of the COVID-19 pandemic. Since retail stores are pushed to adapt to these changes by providing various purchasing experiences and payment methods, communication with consumers and sales promotion are becoming complicated. Therefore, retail stores need to introduce schemes to manage and optimize points of contact with consumers and sales promotion activities to improve consumer satisfaction while implementing DX.

DG and Toshiba Tec link DG's retail sales promotion platform with Toshiba Tec's smartphone-based POS register app to achieve management of consumer contact points and sales promotion activities in retail stores. The retail sales promotion platform is a solution to increase efficiency and maximize the effects of sales promotion activities through functions for managing sales promotion strategies, digitalizing promotional materials, analyzing data, and sales predictions. The smartphone-based POS register app is a solution that reduces the labor and personnel required for register tasks and decreases waiting lines at the register. The customer can install the app on their smartphone to scan products while shopping in the store.

By integrating both services, DG and Toshiba Tec will increase the appeal of products at consumer points of contact before, during, and after they visit the store on this PoC. Through cross-sectional operational management and data analysis, they will also propel DX in sales promotion. By encouraging the utilization of the smartphone-based POS register app, they will verify the effects of promotional content and media value on this PoC. Additionally, cross-sectional analyses of the verification data will be performed to examine how consumer satisfaction is increased, and store efficiency is improved.

【About the PoC】
■ **Store where the PoC is being conducted**
TORISEN Fujimi-cho branch
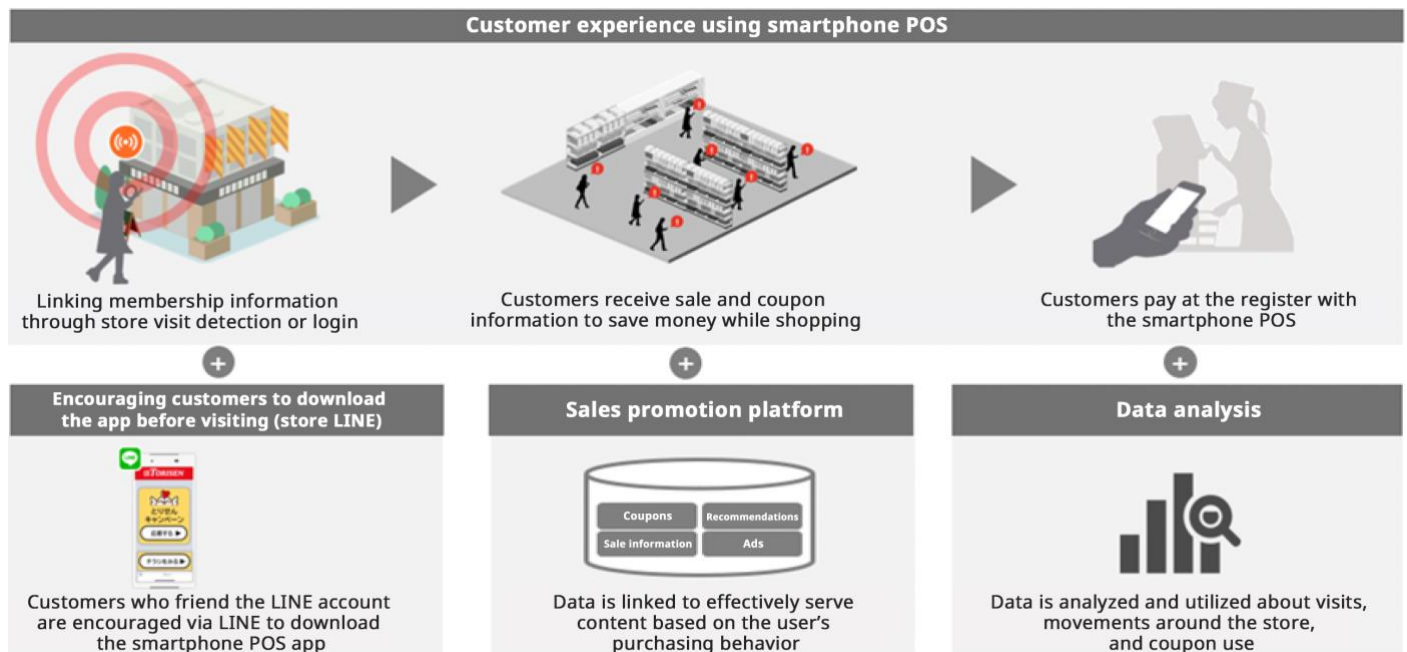Address: 12-60 Fujimi-cho, Tatebayashi-shi, Gunma Prefecture

■ **Schedule**
One month from the end of March

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■ Contents

① Encouraging customers to install the smartphone-based POS register app via the official LINE account

Inform customers who friend the official TORISEN Fujimi-cho LINE account about the smartphone-based POS register app and its benefits. This will encourage them to visit the store and install the app.

② Sending coupons according to consumer behavior

By utilizing Tangerine Inc.'s Beacon and offline behavioral data platform "Store360" for in-store measures, the effectiveness of sales promotion and improvement of customer experience by distributing coupons through a smartphone-based POS resister app according to the location in the store, such as when a consumer comes to the store, logs in to the app, or approaches a specific product, will be verified.

③ Analyzing in-store behavioral and purchasing data

Quantitative information about purchasing effects, as well as qualitative information about customer behaviors and thoughts, will be analyzed to measure the results of the PoC based on inducement from the official LINE account, operation of the smartphone-based POS register app, responses to distributed coupons, in-store behaviors detected by Beacons, POS data, interviews with consumers, and others.

■ Process of PoC

Customer experience using smartphone POS

Linking membership information through store visit detection or login → Customers receive sale and coupon information to save money while shopping → Customers pay at the register with the smartphone POS

Encouraging customers to download the app before visiting (store LINE)
Customers who friend the LINE account are encouraged via LINE to download the smartphone POS app

Sales promotion platform
Coupons | Recommendations | Sale information | Ads
Data is linked to effectively serve content based on the user's purchasing behavior

Data analysis
Data is analyzed and utilized about visits, movements around the store, and coupon use

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■ Future developments

Based on the results of this PoC, DG and Toshiba Tec will analyze and utilize data about store visits, behaviors at the store, and coupon use to serve effective content according to consumer purchasing behaviors and provide customer experiences matched to each consumer. Through their business alliance, DG and Toshiba Tec will continue promoting cashless payments and DX in the retail market and developing a comprehensive media business for retail stores such as utilizing huge amounts of big data including payment data, developing sales promotion platforms connected to smartphone-based POS register app and Smart Receipt®, and CRM*.

Based on the DG Group's "DG FinTech Shift," DG will continue offering more solutions combining the latest Fintech and comprehensive solutions fusing payment and marketing that utilize DG's knowledge about open innovation with startups.

* Related release: "Digital Garage and Toshiba Tec Form Capital and Business Alliance" (12/23/2021)